

HOUSE BILL 335
By Newton

AN ACT to amend Tennessee Code Annotated, Title 67,
relative to authorizing a business to cover or
recover its costs associated with distributing a tax
refund to its customers in certain circumstances.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-1-1802(a), is amended by
deleting the period at the end of the last sentence of subdivision (1) and by adding the following
language:

; provided that, notwithstanding any other law to the contrary, in refunding or
crediting such taxes to customers, the taxpayer may decrease the amount of the tax
refund due to a customer by the reasonable costs to the taxpayer associated with
researching the amount of the tax paid in error, requesting a tax refund from the state for
such taxes paid in error and distributing the refunds to the customer and the claim,
cause of action, or other proceeding by the customer against the taxpayer shall only be
allowed for the full amount of the taxes paid minus such reasonable costs to the
taxpayer.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring
it.